



U.S. Department of Justice

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EVENT: Indictment

Defendant: Candrea R. Cato et al

ELEVEN MEMBERS OF DETROIT AREA FRAUD RING INDICTED

Eleven metro Detroit residents were indicted Wednesday by a Federal Grand Jury in Detroit on charges of conspiracy, wire fraud, bank fraud, credit card fraud, and aggravated identity theft, United States Attorney Stephen J. Murphy announced today. The indictment was sealed pending the execution of arrest warrants today.

Murphy was joined in the announcement by Leo Wisniewski, United States Secret Service Special Agent in Charge.

Charged in the indictment were: Candrea R. Cato, 25; Debra L. Young, 49; Latina A. Thomas, 27; Lakesha D. Thomas, 19; Johnny E. Rutherford, 21; Tonya L. Moore, 29; Freddie L. Jones, Jr., 22; April S. Anderson, 21; Jamicka Price, 20; Antonio L. Cranford, 20; and Wesley L. Layton, 19. The 106-count indictment charges that between January, 2004 and the date of the indictment, the group used stolen credit card numbers to "charge" Western Union money transfers to themselves. One of the defendants, usually Cato, would telephone persons (primarily persons with Asian names) and pretend to be a representative of a credit card issuer. The defendant would allege that credit cards or credit card numbers of the person called were being fraudulently used (typically, at the Windsor Casino) and claim that the credit card issuer needed to verify the cardholder's correct credit card information in order to stop the

fraud or apprehend the perpetrator. Many credit card holders were duped into disclosing their credit card information, including the three-digit security number on the back of the card.

The defendants then called Western Union's 1-800 telephone number to initiate a money transfer payable to one of the participants in the scheme, and used the stolen credit card information to "pay" for the transfer. The named participant then picked up the transferred money from a Western Union paying agent (usually a market, party store, or check cashing business).

Western Union incurred at least \$951,000 in fraud losses as a result of the scheme. If Western Union had not been successful in identifying and stopping some of the fraudulent money transfers, the loss would have been approximately \$1.7 million.

"Identity theft and credit card fraud continue to be a high law enforcement priority." U.S. Attorney Murphy said. "The U.S. Attorney's Office will continue to vigorously prosecute those criminals who steal innocent victims' personal identifiers, including credit card information, for the purpose of defrauding others."

Leo Wisniewski, U.S. Secret Service Special Agent in Charge, said: "These arrests should serve to raise everyone's awareness of this type of criminal activity. The United States Secret Service is committed to working with other law enforcement agencies and the private industry to minimize the potential economic loss to the public."

An indictment is only a charge and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

The case was investigated by special agents of the U.S. Secret Service, with assistance from a special agent with the Treasury Inspector General. Information provided by Western Union's security personnel substantially assisted the investigation. The case is being prosecuted by Assistant U.S. Attorney Stephen T. Robinson.